The Changing Acquisition Environment

What it means for the Acquisition Workforce

Agenda

- Army Contracting Command & (Personnel)
- FMS Surge & (Personnel)
- BRAC & (Personnel)
- Gansler Commission & (Personnel)
- Recruiting/Direct Hire Authority & (Personnel)

Army Contracting Command Mission & Vision Statement

Mission

Provide global contracting support to warfighters through the full spectrum of military operations.

Vision

A professional workforce providing quality contracting solutions in support of our warfighters

Army Contracting Command

★★ Army Contracting Command (ACC) (Fort Belvoir, VA)

★ Expeditionary Contracting Command (ECC) Fort Belvoir, VA

- 408th CSB SWA Fort McPherson, GA
- 409th CSB Europe Seckenheim, GE
- 410th CSB USARSO FSH, TX
- 411th CSB Yongsan, ROK
- 412th CSB USARNO FSH, TX — **E-Date 05/09**
- 413th CSB USARPAC Fort Shafter, HI — **E-Date 10/09**

AMCOM Contracting Center (Huntsville, AL)

- CECOM Contracting Center (Fort Monmouth, NJ)
- Rock Island Contracting Center (Rock Island, IL)
- LOGCAP Program Directorate (Rock Island, IL)
- SDDC Contracting Center (Scott AFB, IL)

National Capital Region Contracting Center (Alexandria, VA)

- TACOM Contracting Center (Warren, MI)
- RDECOM Contracting Center (APG, MD)
- JM&L Contracting Center (Picatinny, NJ)
- OPM-SANG Contracting Center (Riyadh, SA)

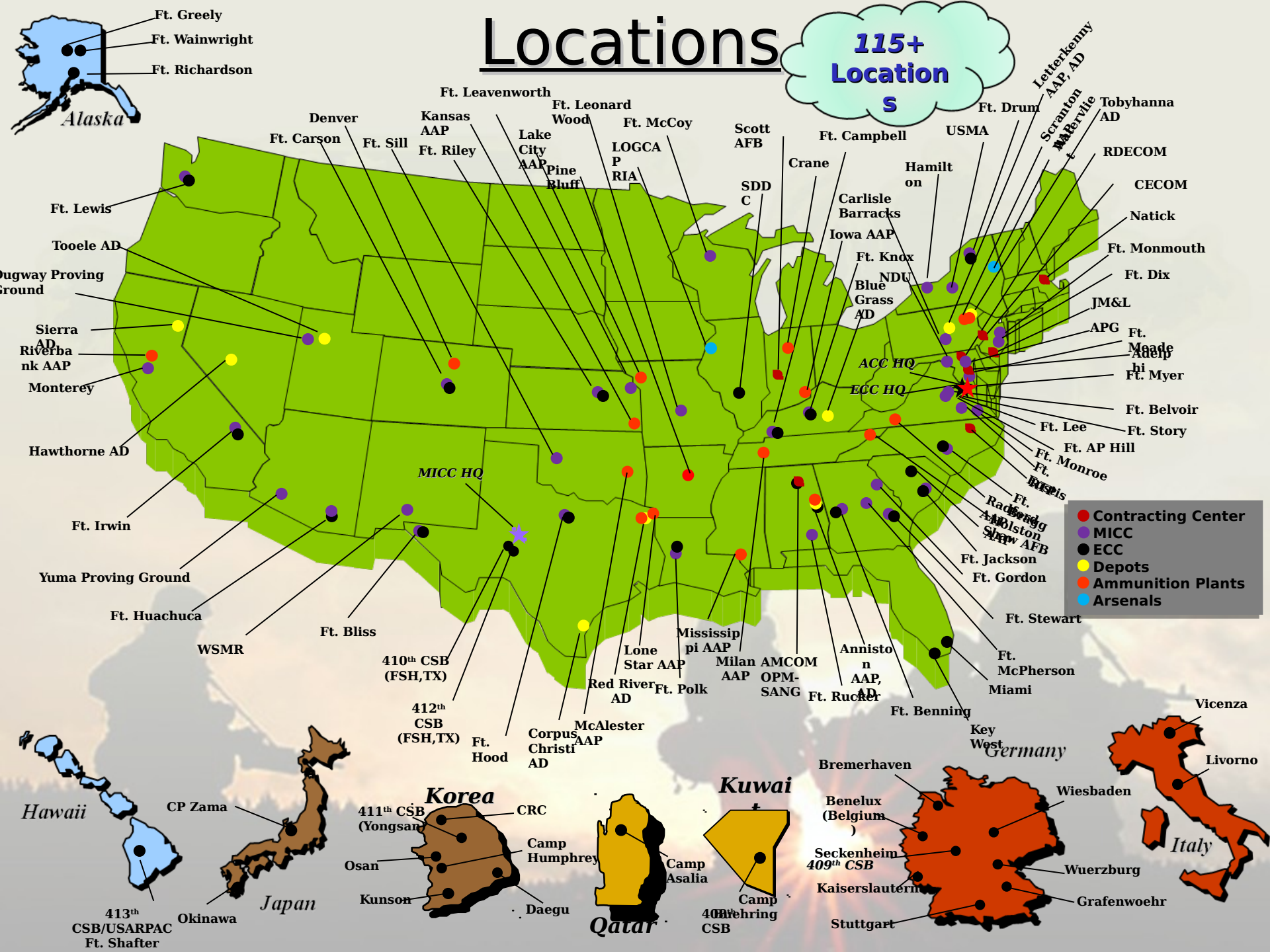
HCA Only

★ Mission &Installation Contracting Command (MICC) (Fort Sam Houston, TX)

- Regional Contracting Centers **(6)**
- Directorates of Contracting **(36)**

Authorized End State
MIL: 854
CIV: 4928

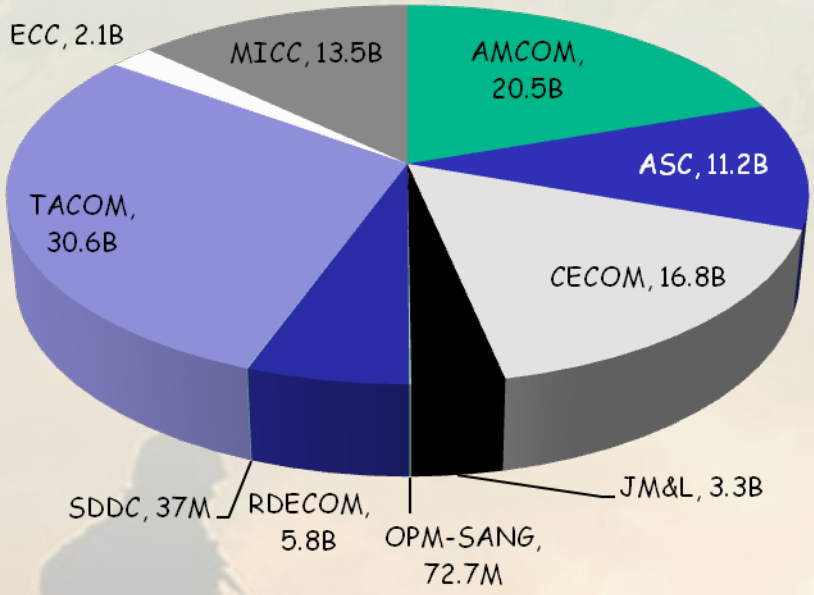
U.S. Army Aviation and Missile Command, Acquisition Center


Locations
115+ Locations
Ft. Greely
Ft. Wainwright
Ft. Richardson
Alaska
Ft. Lewis
Tooele AD
Dugway Proving Ground
Sierra AD
Riverbank AAP
Monterey
Hawthorne AD
Ft. Irwin
Yuma Proving Ground
Ft. Huachuca
WSMR
Ft. Bliss
Denver
Ft. Carson
Ft. Sill
Kansas AAP
Ft. Riley
Ft. Leavenworth
Lake City AAP
Pine Bluff
Ft. Leonard Wood
Ft. McCoy
LOGCAP RIA
SDDC
Scott AFB
Crane
Ft. Campbell
Carlisle Barracks
Iowa AAP
Blue Grass AD
Ft. Knox
NDU
Hamilton
USMA
Ft. Drum
Letterkenny AAP, AD
Scranton AAP
Tobyhanna AD
RDECOM
CECOM
Natick
Ft. Monmouth
Ft. Dix
JM&L
APG
Ft. Meade
Adelphi
Ft. Myer
Ft. Belvoir
Ft. Lee
Ft. Story
Ft. AP Hill
Ft. Monroe
Ft. Eustis
Radford AAP
Holston AAP
Shaw AFB
Ft. Jackson
Ft. Gordon
Ft. Stewart
Ft. McPherson
Miami
Key West
Ft. Benning
Ft. Rucker
Anniston AAP, AD
AMCOM OPM-SANG
Milan AAP
Mississippi AAP
Ft. Polk
Lone Star AAP
Red River AD
McAlester AAP
Corpus Christi AD
Ft. Hood
412th CSB (FSH,TX)
410th CSB (FSH,TX)
MICC HQ
ACC HQ
ECC HQ
Contracting Center
MICC
ECC
Depots
Ammunition Plants
Arsenals
Hawaii
413th CSB/USARPAC Ft. Shafter
CP Zama
Okinawa
Japan
Korea
411th CSB (Yongsan)
CRC
Camp Humphreys
Osan
Kunson
Daegu
Qatar
Camp Asalia
Kuwait
Camp Buehring
408th CSB
Germany
Bremerhaven
Benelux (Belgium)
Seckenheim
409th CSB
Kaiserslautern
Stuttgart
Wiesbaden
Wuerzburg
Grafenwoehr
Vicenza
Livorno
Italy

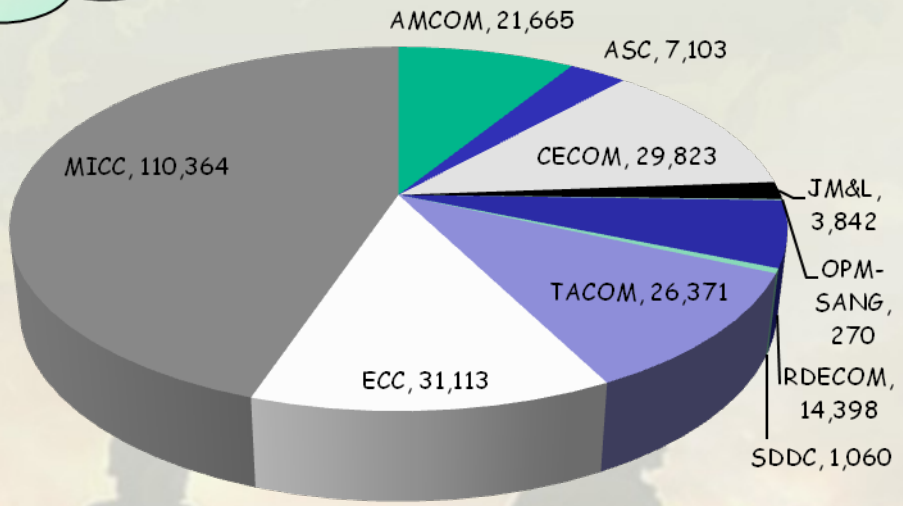
How much the ACC Obligates

4700+ Personnel

Dollars



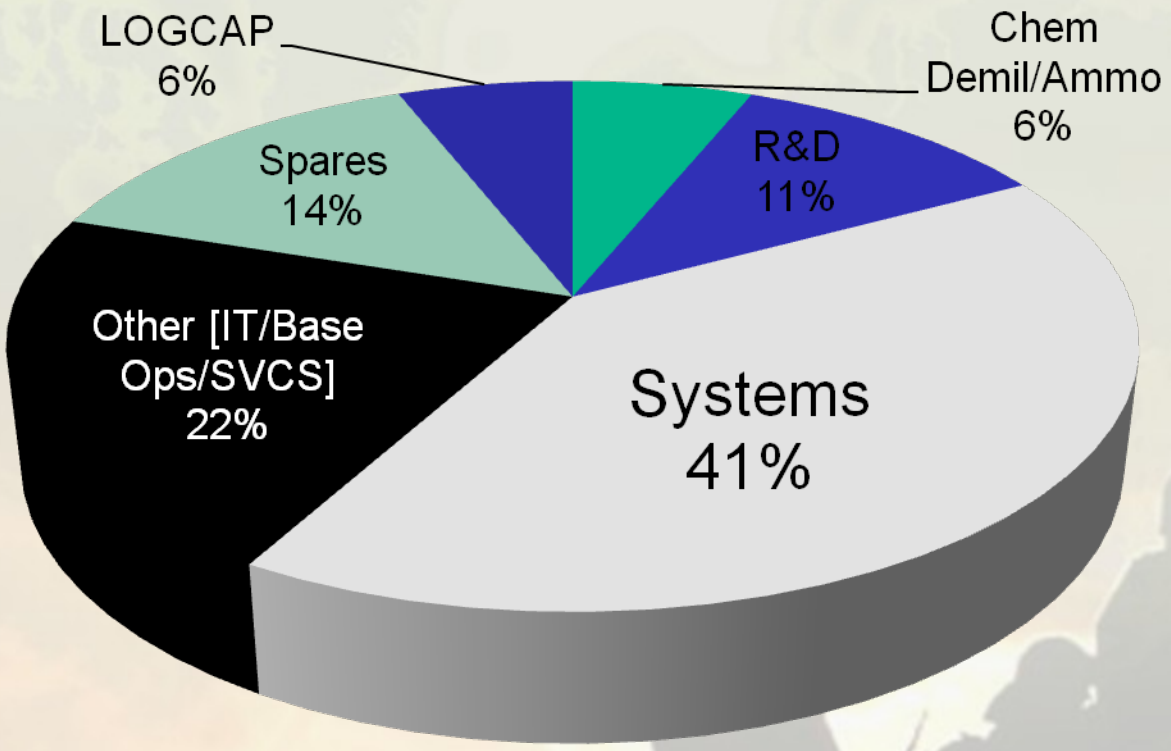
Actions



FY 08 246,000 Actions $104 B

18% > in $ from FY 07

What the ACC Procures

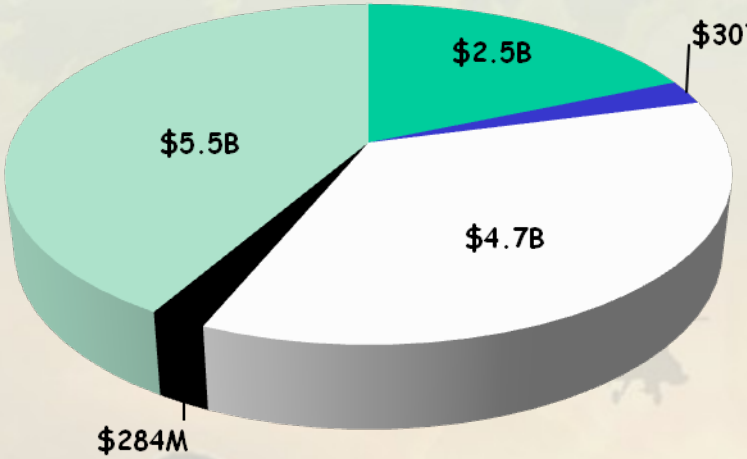


Major Customers

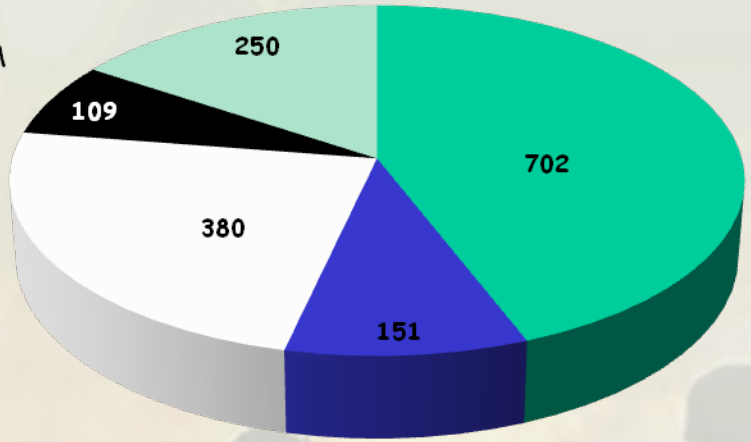
- PEO's/PM's
- ASCC's
- IMCOM
- NETCOM
- ATEC
- TRADOC
- FORSCOM
- AMC

ACC Support to OIF/OEF

$13.29B



1,592 Actions

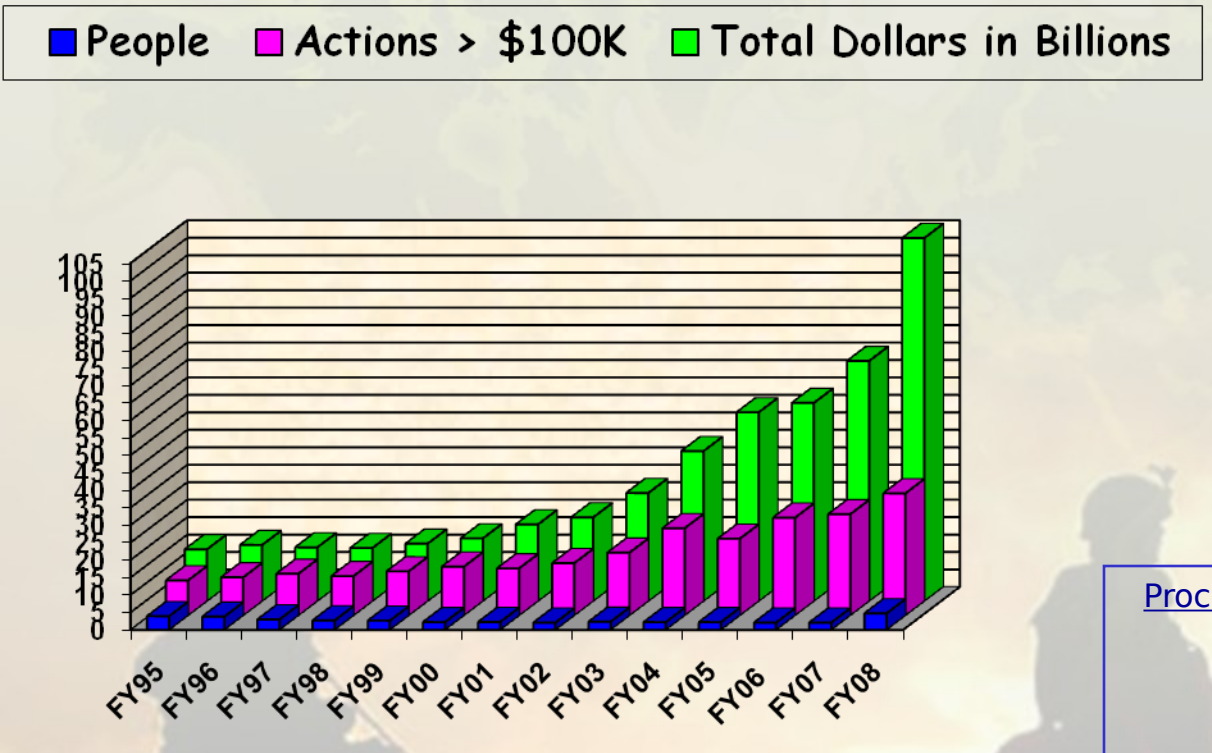


8% Total Dollars in Direct Support to OIF/OEF

EXAMPLES:

- Rock Island Arsenal Contracting Center – LOGCAP ($5.5B/Year)
- TACOM Contracting Center – Afghanistan Security Assistance Program, $1.7B
  - 27,000 vehicles & 104,000 weapons delivered

ACC Trends & Impacts



Increased Dollars
- Up 463% since ‘95

Increased Actions
- Up 359% since ‘95

Decreased Workforce
- Down 53% since ‘95

Former AMC Command Contracting ⟵ | ⟶ **New ACC**

Process Efficiencies Used to the Max!
- Partnering
- Credit Cards
- E-Commerce/Paperless Contracting
- ALPHA Contracting
- Alternative Disputes Resolution
- Use of Ordering Officers
- Long Term IDIQ Contracts
- Best Value

U.S. Army Aviation and Missile Command, Acquisition Center

ACC Strategic Priorities

- **Grow and develop a professional civilian and military workforce**
- **Establish & develop an expeditionary contracting capability**
- Maintain superior customer focus
- Standardize, improve and assure quality business processes and policies across the organization
- Obtain and maintain needed resources

FMS Surge

U.S. Army Aviation & Missile Command
Security Assistance Management Directorate

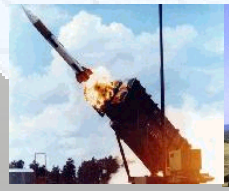
Our Vision - Provide World-Class Support to Our International Partners by Providing Foreign Military Sales Equipment and Services Within Cost, On Schedule, and With Exceptional Performance

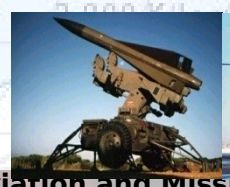
FMS Sales Benefits:

- **Supports National Security Objectives**
- **Standardizes Equipment of Allied & Coalition Forces**
- **Closes Production Gaps**
- **Reduces Unit Cost to Army**
- **Strengthens Industrial Base**

Magnitude:

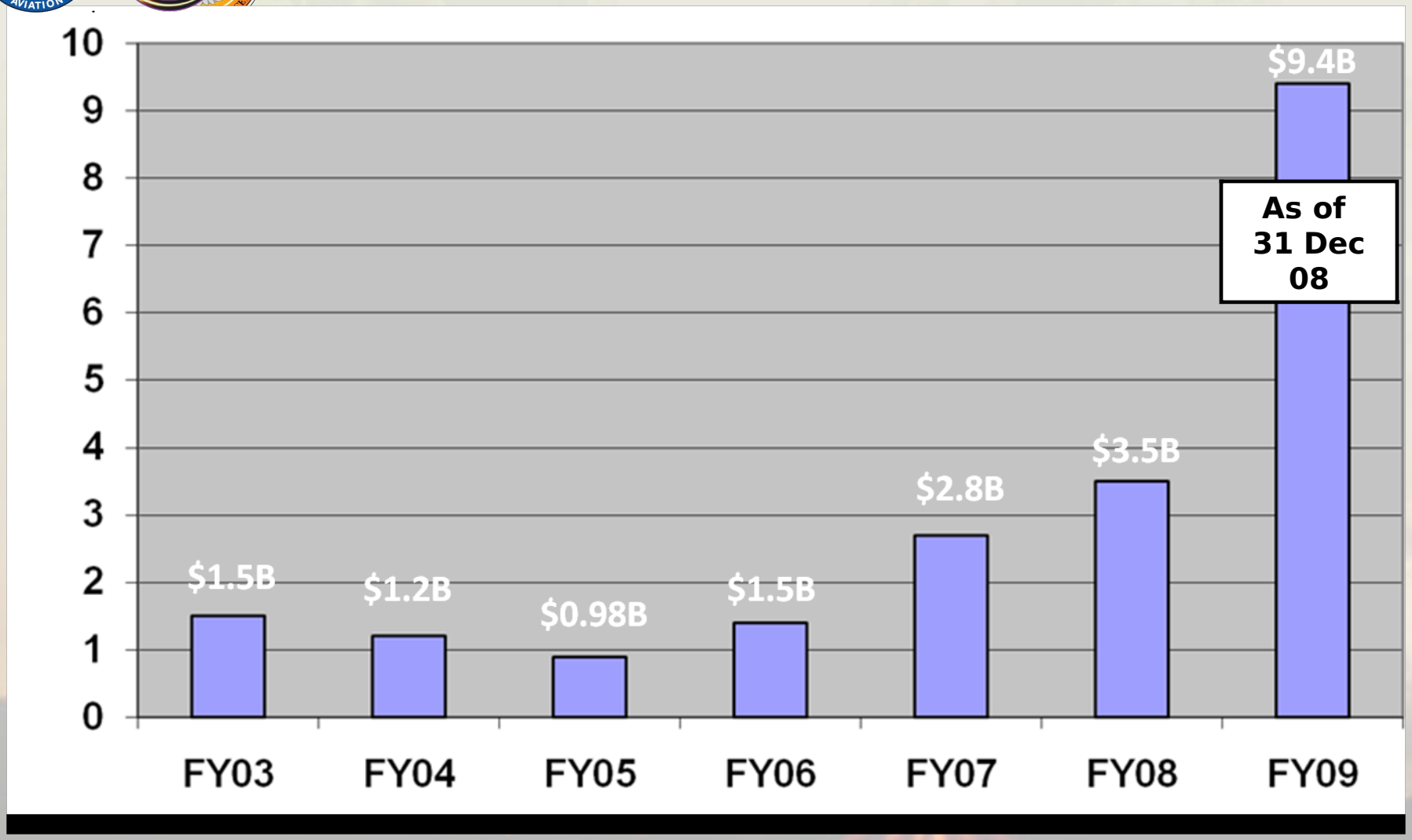
- **Total Cases Managed: 843**
- **Total Value of Cases Managed: $28.4B**
- **Undelivered Value: $9.4B**
- **FY08 Sales: $3.5B**
- **-Located:**
  - **5 Field Offices**
    - **Egypt**
    - **Kuwait**
    - **Saudi Arabia (2)**
    - **UAE**





AMCOM SAMD BUSINESS BASE

($ In Billions)



SUMMARY OF SALES PROJECTIONS

($ In Millions)

Current Sales (as of 31 Dec 08) **$ 9.4 B**

Potential Sales - $ 56.9B (24-36 Months)

Probable FY 09 Sales (based on LOR's only)

Missile & Space	$ 16,273
Aviation	$ 1,993
Other	$ 586
	$ 18,852 B

otal Acquisition Center Obligations for FY 08 = $20.6B

Surge Requirements

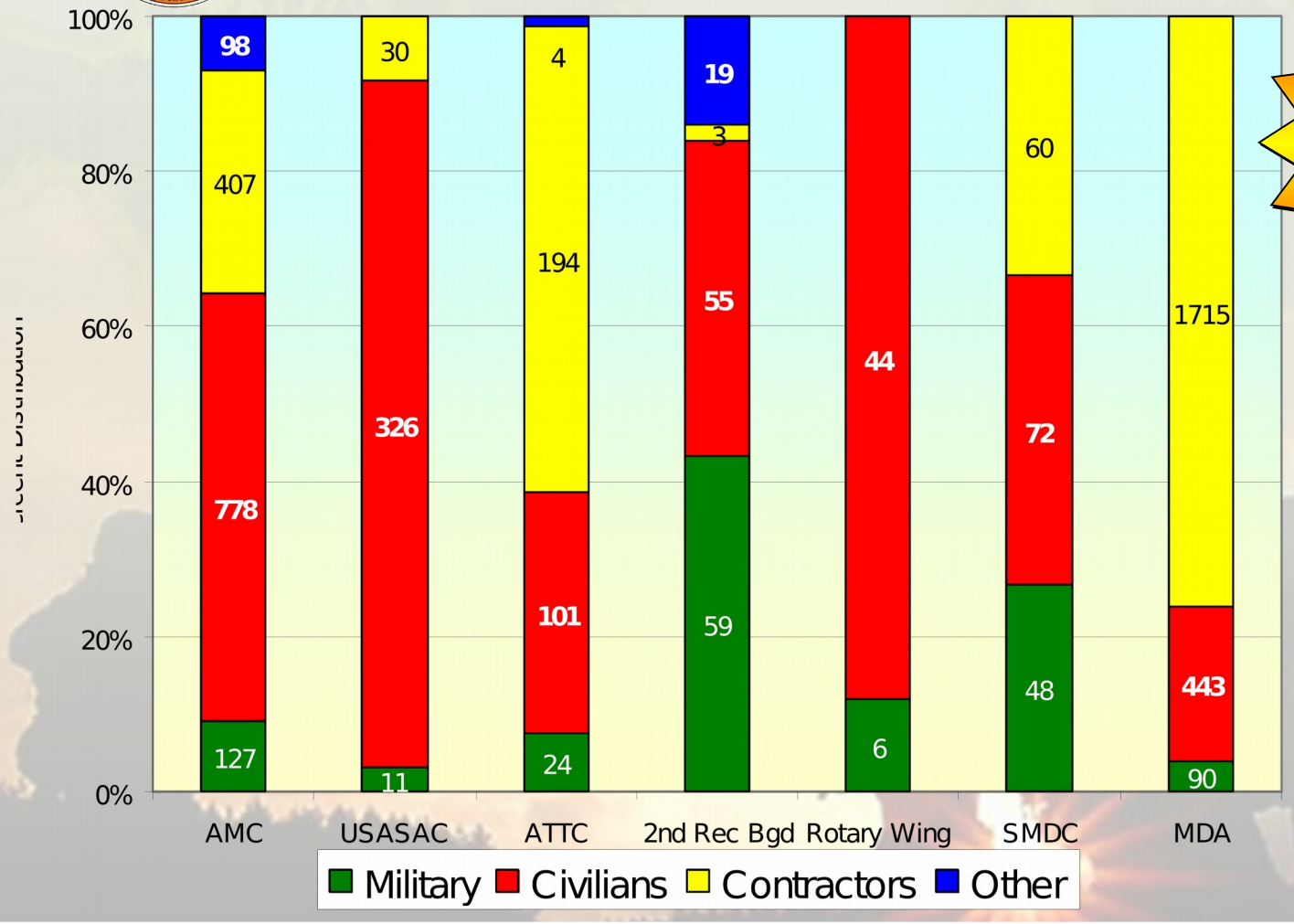
- From $3.5B to $18B possible in Just FMS!!
- FMS Summit
  - All Functional Areas
  - Relook FMS process from Tooth to Tail
  - LSS Event – Contracting Squeeze?
  - Contractor Collaboration
- Contracting Requirements
  - Advanced Planning
  - Option Clins/Country Clins/Pre-pricing/Others?
- Additional Resources to Obligate $18B?
  - There Ain’t Any!!!

BRAC

Critical Challenges

- Competition for Labor Pool
  - MDA, AMC HQ, Contractors
  - SMDC, NASA, COE, DLA, Each Other
- Personnel Losses & Vacancy Rate
  - Losing faster than I can HIRE
- Losing Knowledge Base
  - Experience Levels at Promotion
  - 92
- Space (not the NASA kind)
  - No MILCON to expand
  - Loss of existing space to incoming organizations
  - Rentals/GSA Leased/Temps
- Accession Plans
  - PCS Funding from Supplemental
  - Reduce Hiring Times
  - Hiring Bonus
  - **45-60 Interns Per year*****
  - Must hire 100 People/Year
- Issues & Initiatives
  - Pay Banding – Employee “Bouncing”
  - Reimbursable Solution/Fee for Service
  - Limited Contracting Out - Cost & Pricing
  - Direct Hire Authority & BRAC Transfers

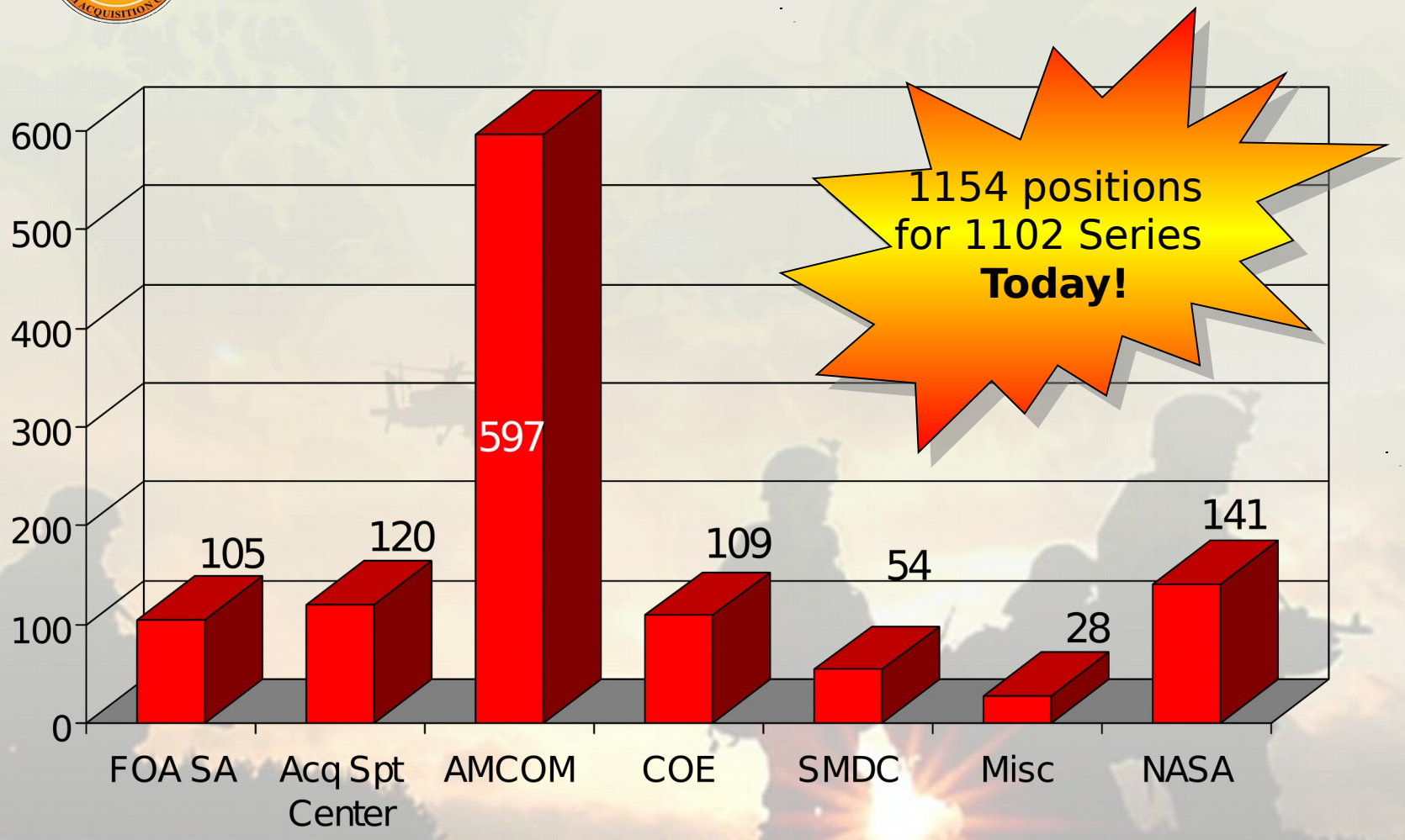
Critical Challenges
Incoming Manpower Distribution



Numbers are subject to change

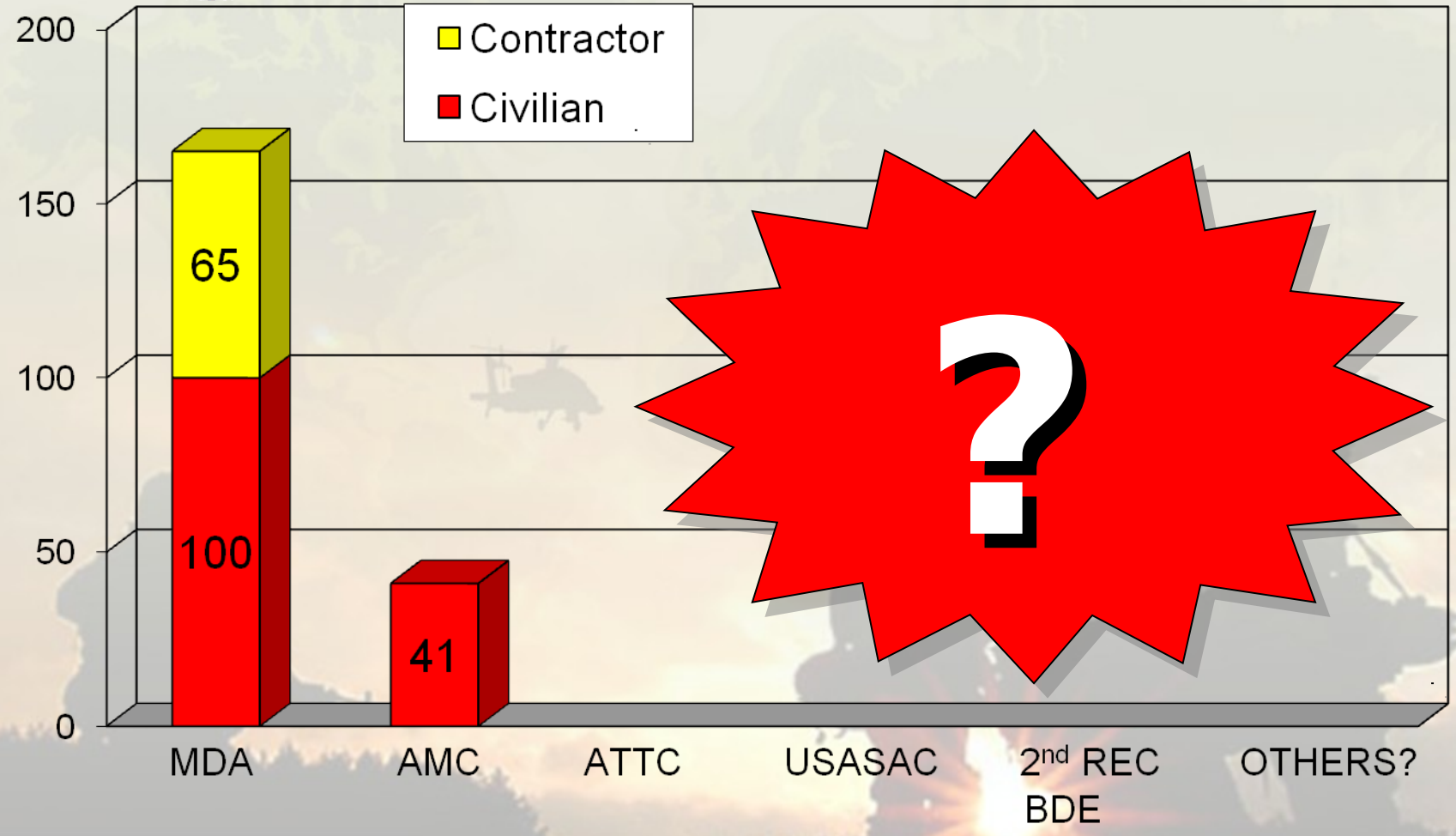
"Other" consists of Interns, Co-Ops, Para-trainees and similar transitional personnel

Critical Challenges
1102 Positions on Redstone



Critical Challenges

1102 Future Positions



*MDA info does not include 1102s in Program Offices

Gansler Commission

Gansler Commission

- What did they find?
  - Expeditionary Environment
  - Army Lacks Expeditionary Contracting Skills
  - Army Does Not Recognize Importance of Contracting
  - Inadequate Contracting Regs for Expeditionary Operations
  - Lack of Recognition of Complexity of Contracting
  - Inadequate Organization & Responsibility to Facilitate Contracting
  - Poor Interagency Operations

Gansler Commission

- What did they recommend?
  - Increase the Stature, Quantity and Career Development of the Army's Contracting Personnel (Military & Civilian)
  - Restructure Organization and Restore Responsibility to facilitate Contracting & Contract Management in Expeditionary and CONUS Operations
  - Provide Training and Tools for overall Contracting activities in Expeditionary Operations
  - Obtain Legislative, Regulatory and Policy Assistance to enable Contracting effectiveness in Expeditionary Operations

Gansler Commission

- What does all this mean? (My Opinion)
  - Clear Career Path for Contracting
    - Centers will still Support Systems Acquisition
    - Contract Support Battalions/Brigades
    - DCMA Plant and Geographic Commands (Civ & Mil)
    - **DCGs for each CMD Level GO**
  - Contracting Command
    - 3 General Officers with Contracting Experience
    - 2 Star Contracting Commander & 2 each 1 Star Commanders
    - **Increase in Military and Civilian Workforce (1000 Civ + 400Mil)**
  - Training
    - CCOs/NCOs/EE Civilians will complete both training & experience before being deployed
    - COR Training requirements
    - Tie in to all aspects of contracting not just award
    - **Basic automation to support, contractual, financial and administration requirements**
  - Policy & Doctrine
    - Army Contracting Campaign Plan & Concept Plan
    - Increased Reviews (OSD, DA & Local)
    - Contract Closeout – New emphasis

Recruiting & Direct Hire Authority

Recruiting & DHA

- Huntsville MSA is at 4.5% Unemployment (e.g. Almost at Full Employment)
- BRAC Organizations to come with 20-25% of people
- Increase in Commercial Industry due to BRAC
- Industry need for 1102 skills are equal to or greater than ours (feeling the same pain)
- What are we doing
  - 1102 Workforce Summit
  - Team Redstone and “Huntsville on the Road”
  - Joint Recruiting & Trail Bosses
  - Permanent Recruiting Teams
  - Job Fairs at losing BRAC installations (Still Working This)
  - Direct Hire Authority for Team Redstone…and now DA
  - Retired/Rehired Annuitants
  - CONTRACTORS!!!!
- You just can’t “Announce” any more

The Future
(My Opinion)

- Major Changes on the Horizon for Contracting Workforce
  - CP14 & 51C/A/Z
  - Expeditionary Contracting Command Long overdue
  - Policy & Doctrine – Pendulum Swing?
- The infamous “10 Year Mark” is …….?
  - Will the economy give us additional time?
- BRAC = The Perfect Opportunity…if correctly managed
- Opportunities in Contracting will be plentiful through FY14
  - Or might we see significant retirements in FY 14-15?
- Must prevent a Personnel Crisis in Contracting
  - Interns, Fellows and Contractors represent long and short term solutions
- Loss of experience is a MAJOR concern

Questions